



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

ADDRESS OFFICIAL CORRESPONDENCE
TO THE BOARD

May 28, 1998

Mr. James E. Hanson
Manager, External Reporting
Norwest Corporation
Norwest Center
Sixth and Marquette
Minneapolis, MN 55479

Dear Mr. Hanson:

The Secretary of the Board of Governors of the Federal Reserve System has reviewed the notice filed by Norwest Corporation, Minneapolis, Minnesota ("Norwest"), under section 4(j)(5)(B) of the Bank Holding Company Act ("BHC Act") (12 U.S.C. § 1843(j)(5)(B)), to acquire MidAmerica Insurance Agency South, Inc., Blue Earth, Minnesota, and thereby engage in life, property, and casualty insurance agency activities. The Board previously has determined that Norwest may engage in general insurance agency activities pursuant to section 4(c)(8)(G) of the BHC Act ("exemption G").^{1/} Accordingly, the Board has determined that the proposed activities are closely related to banking under section 225.28(b)(11)(vii) of the Board's Regulation Y. 12 C.F.R. 225.28(b)(11)(vii).

Norwest has certified that all the criteria set forth in section 4(j)(4) of the BHC Act are met and has filed the information required under that section. Based on all the facts of record, including relevant examination, financial and other reports maintained by the Federal Reserve System, the Secretary does not


^{1/} Exemption G, one of several specific exemptions (A through G) enacted by Title VI of the Garn-St. Germain Depository Institutions Act of 1982 ("Garn Act") to the Garn Act's general prohibition on insurance activities by bank holding companies, authorizes those bank holding companies that engaged in insurance agency activities prior to 1971 with prior Board approval, to engage in, or control a company engaged in, insurance agency activities.

object to the consummation of the proposal at this time. In making this determination, the Secretary has relied on all the representations and commitments made by Norwest in connection with this proposal. The representations and commitments are conditions imposed in writing in connection with the findings and decision herein and, as such, may be enforced under the provisions of applicable law. As provided in section 4(j)(4)(C)(i) of the BHC Act, this determination is subject to all the restrictions, terms and conditions imposed by the Board on insurance agency activities conducted by bank holding companies entitled to engage in insurance agency activities pursuant to exemption G.

Approval of this notice is subject to the Board's authority to require reports by, and make examinations of, bank holding companies and their subsidiaries, and to require such modification or termination of activities of a bank holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the BHC Act and the Board's regulations and orders issued thereunder.

The transaction should be consummated within three months after the date of this letter, unless such period is extended by the Federal Reserve Bank of Minneapolis (the "Reserve Bank"). Advice of the fact of consummation should be given in writing to the Reserve Bank.

Very truly yours,



Jennifer J. Johnson

Deputy Secretary of the Board

cc: Federal Reserve Bank of Minneapolis
Department of Justice